Stock of cotton to meet the situation

2717. SHRI P. UPENDRA: Will the Minister of TEXTILES be pleased to refer to the answer to Starred Question No. 24 given in the Rajya Sabha on 27th July, 1993, and state:

(a) whether it is a fact that the local industry's requirement only three months cotton consumption is provided for while in China, Pakistan and other countries internal cotton stock is maintained for five to six months;

(b) whether the currently available stock of cotton around 25 lakhs is enough; if not, what is the way out to meet the situation in future; and

(c) whether it is a fact that value addition in respect of yarn works out at 96 per cent, for fabrics 163 per cent and for garments 733 per cent; and

(d) what is the foreign exchange earning from the exports of cotton and value added cotton based commodities during the last and the current year

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Generally carry-over stocks equivalent to 2 1/2 to 3 months consumption requirement of the textile industry is considered safe to take care of the lean period requirements of the industry.

(b) Currently estimated carry-over stock of 25,655 lakh bales is considered adequate to meet the industrial requirements during the lean period.

(c) Yes, Sir. According to a study made by the Indian Cotton Mills Federation (ICMF) in May, 1993, the export of one lakh bales of raw cotton would yield foreign exchange earnings of Rs. 60 crores. If the same quantity is used in making yarn and that yarn is exported it would fetch Rs. 119 crores and the corresponding earnings of foreign exchange by exporting cotton fabrics and cotton earnings would be Rs. 150 crores and Rs. 400-500 crores respectively.

(d) The foreign exchange earnings from the exports of cotton and value-added cotton based commodities during the last and currnet year is as under:—

(Value : in Rs. Crores)

	1991-92	1992-93	1993-94 (Apr/June)
1. Cotton (Sept-Aug.) .	38.75	675.06 (upto 12-8-93)	
2. Cotton cloth . .	1606.65	2049.89	500.35
3. Cotton made-up .	1136.20	1639.17	321.13
4. Cotton yarn . .	939.01	1166.60	386.08
5. Ready made . .	4381.59	6439.86	N.A.